

V.C. Summer Units 2 & 3 EPC/132177 & 132178

Reporting Period: January 2015

Target Construction Productivity (Direct Hire Labor)

A	B	C	D	E (D/B)	F (C/D)	G	H	I	J (H/I)
Direct Construction Crafts	Target Work Hours	ITD Actual Hours	ITD Earned Hours	% Complete	To Date PF	Period Actual Hours	Period Earned Hours	Period PF	
Site Prep	671,390	540,457	527,351	78.5%	1.02	2,523	1,472	1.71	
Site Improvements	298,986	213,941	218,037	72.9%	0.98	4,714	1,819	2.59	
U/G Electric	148,475	84,531	78,424	52.8%	1.08	763	142	5.37	
U/G Valves	3,493	1,958	1,969	56.4%	0.99	0	0	0.00	
U/G Pipe	138,564	102,395	61,183	44.2%	1.67	1,178	279	4.22	
Concrete	4,075,545	1,893,113	1,009,383	24.8%	1.88	64,232	28,006	2.29	
Special Concrete and Coatings	37,390	30,108	14,996	40.1%	2.01	1,236	907	1.36	
Structural Steel	1,009,301	220,471	130,088	12.9%	1.69	15,765	3,668	4.30	
Buildings	116,107	215	67	0.1%	3.21	54	0	0.00	
A/G Electric	3,874,879	44,149	25,386	0.7%	1.74	1,577	558	2.83	
Instrumentation	459,137	977	454	0.1%	2.15	0	0	0.00	
A/G Valves	5,457	534	885	16.2%	0.60	0	0	0.00	
A/G Pipe	1,319,443	72,505	41,339	3.1%	1.75	4,086	958	4.27	
Pipe Welding/Hydro/Supports	2,364,291	120,367	69,206	2.9%	1.74	3,930	1,149	3.42	
Major Equipment	682,743	240,151	151,147	22.1%	1.59	4,939	1,402	3.52	
AP1000 Structural Modules	200,320	44,236	7,799	3.9%	5.67	6,663	0	0.00	
AP1000 Mechanical Equipment	13,263	12,827	2,570	19.4%	4.99	894	751	1.19	
AP1000 Piping Modules- Contal	14,254	0	0	0.0%	0.00	0	0	0.00	
AP1000 Piping Modules- Auxilia	2,560	287	0	0.0%	0.00	284	0	0.00	
Miscellaneous	12,762	1,832	1,443	11.3%	1.27	154	105	1.47	
Total	15,448,360	3,625,054	2,341,727	15.2%	1.55	112,992	41,216	2.74	

* Miscellaneous includes: Demolition, Liner, Insulation, Ductwork, Startup & Commissioning

Ken's Analysis:

To Go Manhours	13,106,633	84.84%
Direct FTE Expended	565	
Direct FTE Earned	206	
Average Craft Manpower on Site	1,715	
Indirect Craft M-H (from Invoice)	150,000	
Indirect FTE	750	

Date	Total Craft	Craft on Site	FNM Total	FNM on Site
6-Jan	1948	1721	1025	646
12-Jan	1873	1685	1037	858
19-Jan	1890	1713	1046	889
26-Jan	1909	1741	1052	880
Average	1905	1715	1040	818.25

Months to Complete @ Jan Rate

318 Months
26.5 YEARS

EXHIBIT	55
WIT:	Jones
DATE:	10-12-18
K. KIDWELL, RMR, CRR, CRC	

150,000 indirect
+ 5,338,101.40 to get last 3
+ G-A 5 Profit

Reconciliation of Consortium Provided EAC

55% in \$07 \$'s (\$000)

CONFIDENTIAL INFORMATION - Prepared Subject to Attorney client and work product privileges

	8/14 Consortium EAC-As Delivered		8/14 Consortium EAC-As Delivered		NND EAC Build-up	
	Referred to as \$660 due to Rounding		Referred to as \$660 due to Rounding		(Based on 1.55 PF, .97 Indirect/Direct, .60 FNM/Direct)	
Schedule Basis	Dec 2018 & Dec 2019		June 2019 & June 2020		June 2019 & June 2020	
EAC Target and T&M	\$	646,838	\$	559,045	\$	1,009,198
Cyber Security CO (Included in Above but Reported Separately)	\$	18,816	\$	18,816		
Site Layout CO (Included in Above but Reported Separately)	\$	20,350	\$	20,350		
EAC Entitled	\$	71,899	\$	71,899	\$	71,899
EAC Due to Delay and Inefficiencies - Expected Invoice Amount	\$	535,773	\$	447,981	\$	937,299
EAC Due to Delay	\$	240,014	\$	192,492	\$	259,301
EAC Due to Inefficiencies	\$	295,759	\$	255,539	\$	677,998
EAC Due to Delay and Inefficiencies - Expected Invoice Amount	\$	535,773	\$	447,981	\$	937,299
One option available to Owner:						
10% Withholding of Delay	\$	(24,001)	\$	(19,249)	\$	(25,930)
10% Withholding of Inefficiencies	\$	(29,576)	\$	(25,554)	\$	(67,800)
EAC Due to Delay and Inefficiencies - Cash out the Door	\$	482,196	\$	403,182	\$	843,527
Cyber Security CO (T&M)	\$	18,816	\$	18,816	\$	18,816
Site Layout CO (T&M)	\$	20,350	\$	20,350	\$	20,350
EAC Entitled	\$	71,899	\$	71,899	\$	71,899
Total EAC Portion of the EPC Filing	\$	593,261	\$	514,247	\$	954,592
CO- Shield Buildings Expediting (Firm)	\$	12,100	\$	12,100	\$	12,100
CO- Misc (Target, T&M, Firm)	\$	3,363	\$	3,363	\$	3,363
Total EPC Filing Request (Target, T&M, Firm)	\$	608,724	\$	529,710	\$	970,055

Currently, Owner is only withholding NonLabor costs directly attributable to the module delay is readily identifiable. See "Potential Steps to Influence Control of Target Price by the Contractor" document for project team recommendation.

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EXHIBIT 6
 WIT: James
 DATE: 12/12/18
 K. KIDWELL, RMR, CRR, CRC

To: JONES, RONALD A[RONALD.JONES@scana.com]; WALKER, CARLETTE L[CWALKER@scana.com]; SMITH, ABNEY A JR[SASMITH@scana.com]
Cc: BROWNE, KENNETH JEROME[KENNETH.BROWNE@scana.com]; KOCHEMS, KEVIN R[KKOCHEMS@scana.com]; WICKER, SHERI L[SWICKER@SCANA.COM]; JOHNSON, SHIRLEY S[SWJOHNSON@scana.com]
From: Cherry, Marion
Sent: Mon 4/6/2015 4:38:07 PM
Subject: FW: VCS - NND - Target Cost
 2015 04 06 - EPCA Target Cost & Pet Comp DCL Charts.pptx

***This is an EXTERNAL email. Please do not click on a link or open any attachments unless you are confident it is from a trusted source.

FYI

From: Crosby, Michael
Sent: Monday, April 06, 2015 4:30 PM
To: sbyrne@scana.com
Cc: ARCHIE, JEFFREY B; Cherry Marion; Cherry, Marion
Subject: VCS - NND - Target Cost

Steve,

As you know, Marion worked with Business and Finance to produce the following charts that were discussed in the Executive Steering Committee meeting on Mar 6:

1. Direct Craft Productivity (EPC basis 1.0 ... EAC basis going forward 1.15)
2. Indirect to Direct Craft Labor Ratio (EPC basis 0.38 ... EAC basis going forward 0.39)
3. Field Non-Manual to Direct Craft Labor Ratio (EPC basis 0.51 ... EAC basis going forward 0.53)
4. Percent Complete - Direct Craft Work

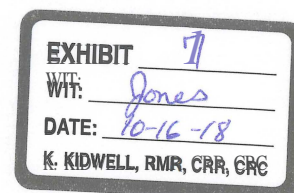
As follow-on to this effort a ... **Total Target Cost chart** ... has been added to the package (see last slide in attached file).

The new chart is a good visual aid which projects the (end-view) total target cost impact of the Consortium's poor management of productivity and labor ratios.

In the top left corner of the new chart ... a table is provided which summarizes the key inputs that generate the total target cost curves.

The top row of the table (highlighted yellow) ... is an average of the actual numbers recorded on the project over the 5 month period (Sep 2014- Jan 2015). A total target cost curve for this data is not shown on the graph because it would be off the chart.

As you recall upon receiving the EAC (August 2014), the Consortium promised to self-correct and drive productivity and the labor ratios back (closer) to the EPC basis.



Scenario 1 and 2 (curves) ... demonstrate how improvements to productivity factor and labor ratios drive the curves down ... but still result in cumulative target costs that are significantly over budget.

Both the EAC and Entitlement curves ... demonstrate that to achieve the target costs projected by the EAC ... the Consortium must perform in accordance with numbers that closely track the contract basis.

Additional details on the new chart:

1. All numbers shown are at 100%.
2. Baseline reference: Cumulative cost of **\$2,281M ... is the EPC contract based on the July 2012 settlement totaling \$1,936M escalated.**
3. **Entitlement curve: Cumulative cost of \$358M above the baseline ... is the EAC Design Finalization and Change Orders minus LDs with escalation added. For SCE&G at 55% ... this is the \$72M (design finalization) and \$56M (change orders) filed in the current PSC petition.**
4. **EAC curve: Cumulative cost of \$1,156M above the baseline ... is the total EAC cost (target only) with escalation.**

I understand from the **attorneys'** conference call last Monday (Mar 30))- the group recommended it was probably time to reconvene the larger group including the CEOs. **When this meeting is scheduled, I think it would be a good idea to include productivity, labor ratios, and these charts as part of that discussion.**

If you have time to review ... maybe we can discuss tomorrow after our meeting.

Thanks,
Michael

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Message

From: ARCHIE, JEFFREY B [/O=SCANA/OU=COLUMBIA/ON=RECEIPTS/ON=JARCHIE]
 Sent: 4/7/2015 10:31:30 AM
 To: I cloud [jeffarchie@icloud.com]
 Subject: Fw: VCS- NND- Target Cost
 Attachments: 2015 04 06 - EPCA Target Cost & Pet Comp DCL Charts.pptx

Sent from my BlackBerry 10 smartphone on the Verizon Wireless 4G LTE network.

From: Crosby, Michael <michael.crosby@santeecooper.com>
Sent: Monday, April 6, 2015 4:29 PM
To: BYRNE, STEPHEN A
Cc: ARCHIE, JEFFREY B; CHERRY, WILLIAM; Cherry, Marion
Subject: VCS - NND - Target Cost

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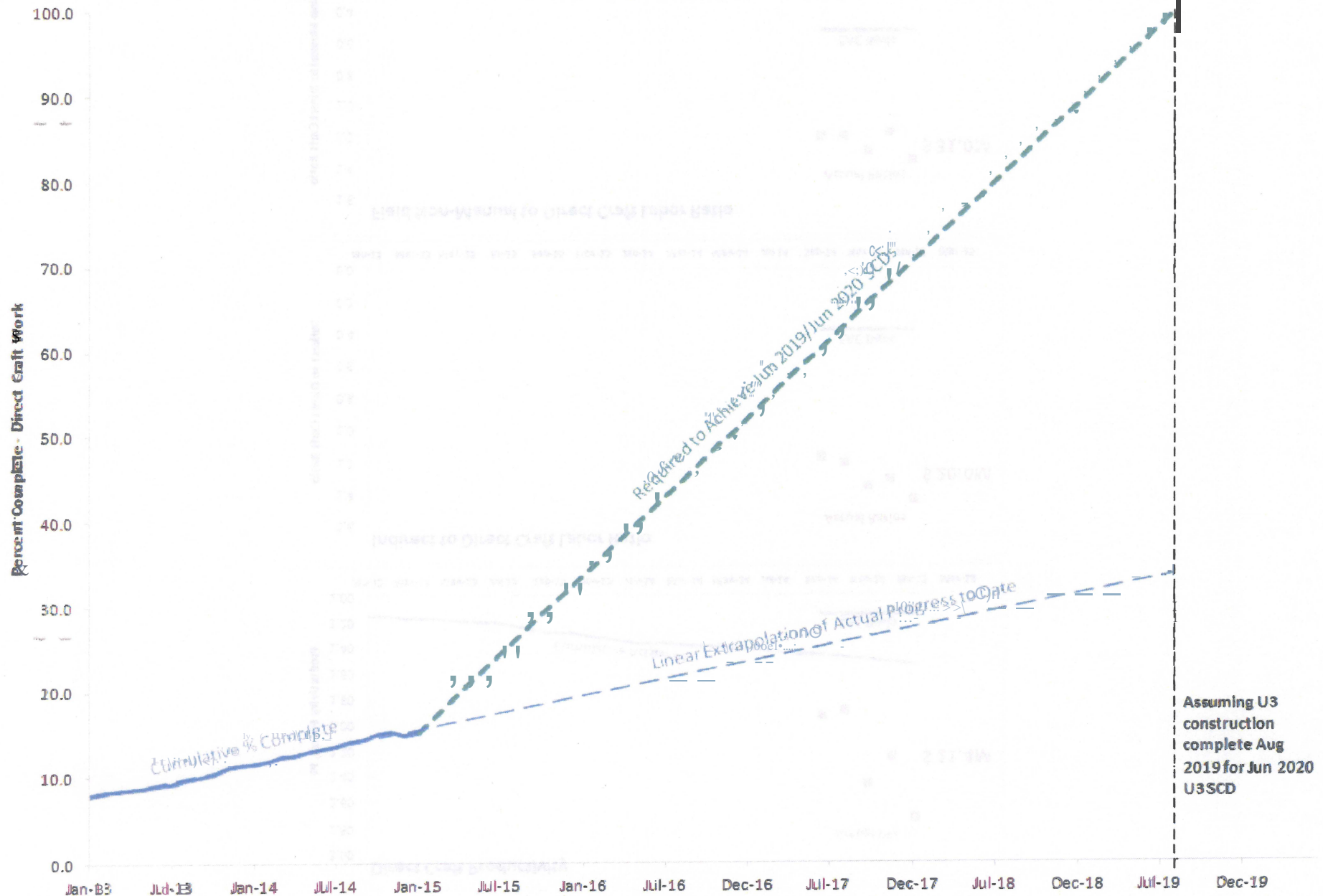
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Target Cost - \$62.4M over EAC basis in 5 months following receipt of EAC



Percent Complete- Direct Craft Work



Total Target Cost (\$ Millions - 100% Figures - Escalated)

